

# **CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE**

## **Public Benefits Analysis Qualified Residential Rental Project Pool Round 3 2002**

State and local governmental agencies and joint powers authorities can issue tax-exempt housing revenue bonds. These bonds assist developers of multifamily rental housing units to acquire land, construct new units or purchase and rehabilitate existing units. The tax-exempt bonds lower the interest rate paid by the developers. These developers produce market rate and affordable rental housing for low and very low-income households by reducing rental rates to these individuals and families.

The California Debt Limit Allocation Committee is responsible for administering California's annual tax-exempt private activity bond program, known as "the annual State ceiling". For calendar year 2002, California's State ceiling is \$2.587 billion. Each year the Committee divides the annual State ceiling among several bond programs, known as "Program Pools", including the Qualified Residential Rental Project (QRRP) Pool. For calendar year 2002, the Committee reserved approximately 51.9%, or \$1.343 billion of the State ceiling for the QRRP Pool. The \$1.343 billion of bond authority was allocated in three allocation rounds and to three sub-pools i.e., General Pool (Projects having 50.1% or more of its total units designated as Restricted Rental Units); Mixed Income Pool (Projects having 50% or fewer of its total units designated as Restricted Rental Units); and the Rural Project Pool (Projects located in a rural area defined by California Health and Safety Code Section 50199.21 but shall not include a Mixed Income Project).

The Committee awarded a total of \$626,718,269 in the Third Allocation Round of 2002. Of which, \$381,222,846 was allocated to the General Pool, \$216,792,023 was allocated to the Mixed Income Pool and \$28,703,400 was allocated to the Rural Project Pool. These allocations financed 6,644 total units, of which 5,313 were Restricted Rental Units. Restricted Rental Units are units within a Project that are restricted to households earning 60% or less of the Applicable Median Family Income. Of the 5,313 Restricted Rental Units, 2,019 will be restricted to very low income households with incomes at or below 50% of the area median income and 3,294 units will be restricted to low income households with incomes at or below 60% of the area median income. Of the total 6,644 units financed with the allocation, 5,545 will be new construction units, 1,954 will be senior citizen units and 872 will be large family (3-4 bedroom) units and 118 will be special needs units designed for handicapped, Alzheimer, AIDS and other residents with distinctive needs. In addition, this allocation will preserve 233 income and rent restricted units that were at-risk of losing affordability restrictions.

<b><u>SUMMARY OF PROJECTS</u></b>				
Total # of Projects	# of New Constr. Projects	# of Acq. & Rehab. Projects	# of Family Projects	# of Senior Citizen Projects
57	45	12	39	18
<b>% of Total:</b>	<b>79%</b>	<b>21%</b>	<b>68.4%</b>	<b>31.6%</b>

<b><u>SUMMARY OF UNITS</u></b>										
Total # of Units	# of New Constr. Units	# of Acq. & Rehab. Units	# of Restricted Units	Units @ 50%	Units @ 60%	# of At-Risk Units	# of Special Need Units	Market Rate Units	# of Large Family Units	# of Senior Citizen Units
6,644	5,545	1,099	5,313	2,019	3,294	233	118	1,331	872	1,954
<b>% of Total:</b>	<b>83.5%</b>	<b>16.5%</b>	<b>80%</b>	<b>30.4%</b>	<b>49.6%</b>	<b>3.5%</b>	<b>1.8%</b>	<b>20%</b>	<b>13.1%</b>	<b>29.4%</b>

<b><u>SUMMARY OF POOL CATEGORIES</u></b>																
Pool Type	Total # of Projects	Total # of Units	# of Restricted Units	Units @ 50%	Units @ 60%	Market Rate Units	# of Large Family Units	# of New Constr. Projects	# of New Constr. Units	# of Acq. & Rehab. Projects	# of Acq. & Rehab. Units	# of At-Risk Units	# of Family Projects	# of Senior Citizen Projects	# of Senior Citizen Units	# of Special Needs Units
GENERAL	40	4,742	4,490	1,540	2,950	252	653	30	3,800	10	942	123	22	18	1,954	118
MIXED INCOME	10	1,374	295	279	16	1,079	181	10	1,374	0	0	0	10	0	0	0
RURAL	7	528	528	200	328	0	38	4	371	2	157	110	7	0	0	0
<b>Totals:</b>	<b>57</b>	<b>6,644</b>	<b>5,313</b>	<b>2,019</b>	<b>3,294</b>	<b>1,331</b>	<b>872</b>	<b>44</b>	<b>5,545</b>	<b>12</b>	<b>1,099</b>	<b>233</b>	<b>39</b>	<b>18</b>	<b>1,954</b>	<b>118</b>